

VZCZCXRO6580
PP RUEHLMC
DE RUEHMU #0404/01 0442147
ZNY CCCCC ZZH
P 132147Z FEB 07
FM AMEMBASSY MANAGUA
TO RUEHC/SECSTATE WASHDC PRIORITY 9084
INFO RUEHZA/WHA CENTRAL AMERICAN COLLECTIVE
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHINGTON DC
RUEHLMC/MILLENNIUM CHALLENGE CORP WASHDC
RHEHNSC/NSC WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 03 MANAGUA 000404

SIPDIS

SIPDIS

DEPT FOR WHA/CEN, PM/WRA FOR MARK ADAMS

E.O. 12958: DECL: 02/12/2017

TAGS: [PGOV](#) [PREL](#) [PINR](#) [PARM](#) [KDEM](#) [NU](#)

SUBJECT: LIBERALS FINALLY OPPOSE FSLN - WILL IT LAST?

REF: A. MANAGUA 0350

[1](#)B. MANAGUA 0241

Classified By: Ambassador Paul Trivelli for reasons 1.4 (b and d)

[1](#)1. (SBU) Summary: Nicaragua's previously divided Liberal parties jointly passed two resolutions in the National Assembly opposing actions by the Sandinista Front (FSLN) administration to change the official government seal and attribute powers to citizen councils that are reserved for government ministries. Buoyed by their symbolic victory, deputies from both parties are positive regarding future cooperation and unification. During a dinner hosted by the DCM, several deputies commented that the Liberals may work together to approve the destruction of Nicaragua's MANPADS and compensate war veterans. End Summary.

[1](#)2. (U) On February 7, opposition forces from the Nicaraguan Liberal Alliance (ALN), Liberal Constitutional Party (PLC), and Sandinista Renovation Movement (MRS) voted as a bloc to approve two resolutions in the National Assembly condemning recent actions by the FSLN administration. The PLC submitted a resolution calling on the government to respect the provisions of Law 290 (ref B) which prohibit the FSLN's newly-created citizens councils from taking on the functions of ministries. The ALN next proposed a declaration ordering the government to follow Law 432 (of 1908) with respect to the design of the official government seal. Later that night, elated deputies from both parties attended a dinner at the DCM's residence congratulating each other for standing up to President Ortega and promising similar actions in the future. Representatives from the private sector with ties to both Liberal parties also attended. The following guests were present:

- ALN: Eduardo Montealegre, Alejandro Bolanos, Jamileth Bonilla, Luis Alberto Callejas, Pedro Joaquin Chamorro, Eliseo Nunez Sr., Mauricio Montealegre.

- PLC: Jorge Castillo Quant, Victor Duarte, Carlos Noguera, Jose Pallais, Maximino Rodriguez, Freddy Torres.

- Private Sector: Jose Adan Guerra, Enrique and Desiree Pereira, Juan Sacasa, Margarita Sevilla de Sarmiento, Nayo Somarriba.

Future Cooperation on MANPADS and Contra Compensation?

- - - - -

[1](#)3. (C) In response to a Honduran announcement that its military is receiving additional aircraft (for anti-narcotics patrols), President Ortega announced last week that he would

not consider destroying more of Nicaragua's MANPADS stocks for "national security" reasons. Behind the scenes, the Army and the administration urged the Assembly to scrap a bill pending since the last session that would order the President to undertake further destructions. Unfortunately, PLC vice president and Assembly Executive Board member Wilfredo Navarro subsequently agreed with the FSLN deputies to again delay this bill.

¶4. (C) During the dinner, Freddy Torres related that the PLC caucus is annoyed with Navarro for (again) making decisions on behalf of the party without consultation. He commented that many PLC deputies would agree to follow the Army's previous recommendation to destroy 651 of the missiles, leaving 400 for national defense. PLC caucus chief Maximino Rodriguez informed us that the Army lobbyists in the Assembly, however, do not support a vote that would give the President the authority to destroy more MANPADS. Several ALN deputies also agreed that approving the destruction of 651 is "reasonable," although the destruction of the remaining 400 would take considerable negotiation within the Central American security framework.

¶5. (C) Rodriguez also reported that the PLC and ALN are planning to dust off a law from the Chamorro administration requiring the government to provide assistance and compensation to war veterans. This initiative is intended to, in part, counter the Ortega-Talavera deal (ref A) that would entice ex-contras into the Sandinista camp through the Peace and Reconciliation Council headed by Cardinal Miguel Obando y Bravo (septel). Some guests also mentioned that FSLN-allied deputy and ex-contra leader Elida Galeano (la Chaparra) is fed up with PRN chief/Ortega ally Salvador Talavera and may support the counter initiative.

¶6. (C) Many of the deputies displayed an unfortunate lack of knowledge regarding key issues -- including several with prior experience in the National Assembly. Dr. Guerra spent much of the evening explaining how the Assembly had undone years of work building up civilian authority over security and defense issues by approving the FSLN-proposed reforms to Law 290. The deputies were surprised to hear that the Army, which is regarded by much of the public as a professionalized and reformed institution, has quietly worked to undermine civilian control through the Ministry of Defense and keep budgetary authority, intelligence, and policy development firmly under the authority of the military (and away from the prying eyes of civil society).

Working Towards Unity...

- - - - -

¶7. (C) In addition to legislative cooperation, the two parties continue to seek unification at a broader level. Noguera confirmed that the PLC-ALN deputies continue to hold weekly (Thursday) lunches and are trying to expand the group. Castillo Quant, PLC party president and a close associate of convicted PLC leader Arnoldo Aleman, implicitly acknowledged that Aleman is the main obstacle to Liberal unity. (Comment: Despite their dueling-letters dust-up a few days before, over dinner Castillo Quant and Eduardo Montealegre seemed to get along quite well. Castillo Quant in effect admitted that he had not been the author of the poison-pen letter to Eduardo -- a number of people mentioned that you could hear Aleman's voice throughout -- but he signed it as president of the party. End Comment)

¶8. (C) All the PLC deputies present admitted that Aleman was a "big problem" for them; whereas previously, many would either try to defend Aleman or, at best, claim that his legal situation was the issue. Torres suggested Aleman maintains much of his influence because everyone is obsessed with him: thus, PLC and ALN lawmakers should focus on a common legislative agenda and ignore Aleman. Castillo Quant, Noguera and Eliseo Nunez, made the same suggestion in a conversation with the DCM. Carlos Noguera was particularly straightforward with the DCM about Aleman, while Jose Adan Guerra made a point of telling the Ambassador that all the

Liberals should stop making Aleman an issue, in essence simply ignoring him in hopes that he will fade away as his power wanes. Guerra stressed that the USG should take this same approach.

¶9. (C) The ALN deputies admitted to us that in the first week, as rookies in the National Assembly, they were taken off-guard by the FSLN's legislative "blitzkrieg," and did not know how to react, or even where to look for responses. Luis Callejas said that they "wisened up" quickly, though, and realized that they have to organize and start developing their own legislative agenda and strategies.

¶10. (C) Foro Liberal member Margarita Sarmiento told us that she plans to invite Castillo Quant and a small group of PLC deputies to one of their regular meetings to encourage further dialogue on liberal unity. Juan Bautista Sacasa said he and some other Foro Liberal business people have put together a fund for the ALN -- they already have about \$430K -- for their legislative efforts and preparation for the 2008 municipal elections.

¶11. (C) We asked the PLC deputies why Wilfredo Navarro -- PLC vice president, deputy, and Assembly Executive Board member -- has taken on the role of party spokesman. Navarro has made several recent proclamations concerning party policy on a number of controversial issues that often do not coincide with the private conversations we have with other PLC deputies. Noguera and Torres, visibly annoyed by Navarro's actions, claimed that Navarro speaks only for himself and usually does not bother to consult the caucus regarding his statements. Noguera complained that the press has been complicit in elevating Navarro to his new de facto status as spokesman by ignoring other deputies.

Views on Obando's Alliance with Ortega
- - - - -

¶12. (C) The guests were divided on their views of Cardinal Miguel Obando y Bravo's role as President Ortega's advisor and head of the new Council of Peace and Reconciliation. Eliseo Nunez commented that Obando is cooperating with Ortega to protect his putative son, Harold Rivas, from persecution by the FSLN-controlled judicial system and also to moderate Ortega's excesses. Mauricio Montealegre disagreed, saying that Obando is a hostage to Ortega's blackmail and is only acting to protect his family and interests.

Comment: A Changing Atmosphere?
- - - - -

¶13. (C) Since the elections, both Liberal camps have wallowed in an atmosphere of defeatism. The February 7 votes seemed to re-energize the opposition and give credence to talk of a unified front. Before uncorking the champagne, however, the PLC leaders must decide how far they are willing to challenge Aleman's authority. If the parties collaborate on legislation that is a real threat to the FSLN, Ortega will again pressure Aleman to rein in his troops. Given the FSLN's eagerness to redesign Nicaragua's government, this litmus test will likely occur sooner rather than later.

TRIVELLI